

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

MARKET DOMINANT PRODUCT PRICES INBOUND MARKET
DOMINANT MULTI-SERVICE AGREEMENTS WITH FOREIGN
POSTAL OPERATORS 1
HONG KONG POST-UNITED STATES POSTAL SERVICE BILATERAL
AGREEMENT (MC2010-35) NEGOTIATED SERVICE AGREEMENT

Docket No.
R2014-4

**UNITED STATES POSTAL SERVICE RESPONSE TO ORDER NO. 1981
CONCERNING UPDATED UNIVERSAL POSTAL UNION TERMINAL DUES RATES**
(August 18, 2014)

After reviewing the inbound market dominant agreement with foreign postal operator Hong Kong Post, the Postal Regulatory Commission (Commission) issued Order 1981¹ upon conclusion of its review of the agreement. In that order, the Commission directed that the Postal Service file updated information regarding the default Universal Postal Union (UPU) terminal dues rates effective in Calendar Year (CY) 2015 which could be used as a comparison against the negotiated rates. The CY2015 default rates were circulated by the UPU International Bureau on June 30, 2014.² In compliance with Order No. 1981, the Postal Service is accordingly filing the requested analysis with the updated default rates. The analysis of the data was done by substituting the estimated UPU rates in the “Summary” tab of the financial workpapers with the rates provided by the UPU International Bureau for CY2015.

¹ Order Approving an Additional Inbound Market Dominant Multi-Service Agreement with Foreign Postal Operators 1 Negotiated Service Agreement (With Hongkong Post), Order. No. 1981, Docket R2014-4, January 29, 2014.

² Universal Postal Union, International Bureau Circular 112 “Provisional 2015 Quality of Service Linked Terminal Dues Rates.” June 30, 2014.

The Postal Service is filing portions of the excel files under seal, and hereby incorporates its application for nonpublic treatment filed on December 24, 2013.³

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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³ United States Postal Service Notice of Type 2 Rate Adjustment and Notice of Filing Functionally Equivalent Agreement, Docket R2014-4, December 24, 2013.